

UNITED STATES DISTRICT COURT
WESTERN DISTRICT OF PENNSYLVANIA

IN THE MATTER OF THE TAX)
LIABILITIES OF:) Civil Action No. _____
)
JOHN DOES, Norwegian taxpayers holding)
PNC Bank, N.A.)
payment card XXXXXXXXXXXXX2075 and)
RBS Citizens, N.A.)
payment card XXXXXXXXXXXXX5082.)

DECLARATION OF CHERYL KIGER

I, Cheryl Kiger, pursuant to 28 U.S.C. section 1746, declare and state:

1. I am a duly commissioned Internal Revenue Agent assigned as Technical Specialist in the Internal Revenue Service's Offshore Compliance Initiatives Program. The Offshore Compliance Initiatives Program develops projects, methodologies, and techniques for identifying United States taxpayers who are involved in abusive offshore transactions and financial arrangements for tax-avoidance purposes. I have been an Internal Revenue Agent since 1991, and I have specialized in offshore investigations since 2010. As a Revenue Agent, I have received training in abusive offshore tax issues. I also have experience in investigating offshore tax matters.

2. Since February 2011, I have been assigned to work on the IRS Offshore Private Banking Initiative. Prior to that, for approximately one year, I was assigned as a Technical Advisor to agents reviewing Offshore Voluntary Disclosure submissions. Prior to that, and from approximately 2003, I worked on the IRS efforts to address various other abusive tax arrangements.

3. As stated in the Declaration of Michael Danilack (“U.S. Competent Authority”) filed concurrently with this Declaration, the Norwegian Competent Authority has properly requested assistance from the IRS to obtain information pursuant to Article 28 of the Convention Between the Government of the United States of America and the Kingdom of Norway for the Avoidance of Double Taxation and the Prevention of Fiscal Evasion With Respect to Taxes on Income and Property (“Convention”).

4. The U.S. Competent Authority’s office has requested my assistance in the capacity as an IRS revenue agent to obtain the information requested by the Norwegian Competent Authority. The U.S. Competent Authority has provided me with a list of payment cards issued by U.S. financial institutions that the Norwegian Directorate of Taxes (“NDT”) has identified and is to be used to determine the correct income tax liability of certain as-yet-identified taxpayers (hereinafter “John Does”) under the laws of Norway.

5. Payment card 2075¹ issued by PNC Bank, N.A. and payment card 5082 issued by RBS Citizens, N.A. are two of the cards identified by Norway and given to me by the U.S. Competent Authority. Payment cards 2075 and 5082 are part of the NDT’s Payment Card Project whose volume and history of use in Norway suggest that their holders are Norwegian taxpayers who may have failed to report foreign financial accounts or income on the tax returns that they were required to file under the revenue laws of Norway.

6. In furtherance of Norway’s request for information, the IRS proposes to issue administrative “John Doe” summonses to PNC Bank, N.A. and RBS Citizens, N.A. Copies of

¹ The account numbers of the payment cards at issue contain sixteen digits. For privacy considerations, all but the last four digits have been redacted.

the proposed summonses are attached to this Declaration as Exhibits A & B. As described in greater detail below: (1) the proposed “John Doe” summonses to PNC Bank, N.A. and RBS Citizens, N.A. relate to the investigation of particular persons or ascertainable groups or classes of persons; (2) there is reasonable basis for believing that these persons or groups or classes of persons have failed or may have failed to comply with provisions of the internal revenue laws of Norway; and (3) the information and documents sought to be obtained from the examination of the records or testimony (and the identity of the persons with respect to whose tax liability the summons has been issued) are not readily available from sources other than PNC Bank, N.A. and RBS Citizens, N.A.

I. The summonses describe particular persons or ascertainable classes of persons.

7. The proposed “John Doe” summonses to PNC Bank, N.A. and RBS Citizens, N.A. seek information regarding the holders of specific payment cards, identified by account numbers, that were issued by each bank. This investigation relates to particular persons (or groups of persons if the account is jointly held) who are easily ascertainable by account number.

II. There is reasonable basis to believe that these persons have failed to comply with the internal revenue laws of Norway.

8. Norway has provided information to the IRS, through the U.S. Competent Authority, that shows that payment card 2075 issued by PNC Bank, N.A. was used in approximately 319 transactions in Norway from January 2004 through January 2012, and that payment card 5082 issued by RBS Citizens, N.A. was used in approximately 369 transactions in Norway from January 2004 through September 2009.

9. According to the information provided to the U.S. Competent Authority from Norway, the transactions on card 2075 combined for a total volume of approximately 1,103,230.00 NOK and the transactions on card 5082 combined for a total of approximately 1,145,172.39 NOK. From January 2004 through September 2009, and from January 2004 through January 2012, the U.S.-dollar equivalent of one Norwegian Krone ranged from a low of approximately 14 cents to a high of approximately 20 cents. See Oanda, Historical Exchange Rates, <http://www.oanda.com/currency/historical-rates/>. Using 17 cents as the average U.S.-dollar equivalent of one Norwegian Krone during that period, payment card 2075 was used in Norway from January 2004 through January 2012 for a combined volume of approximately \$187,549 and payment card 5082 was used in Norway from January 2004 through January 2012 for a combined volume of approximately \$194,679.

10. Based on the information provided to the U.S. Competent Authority by Norway, including the use of a payment card to withdraw currency and/or to purchase goods and services without leaving an identifiable record of such transactions and the level of activity and large dollar volume of transactions on the card, and based on my general knowledge and experience concerning taxpayers who use banking and other services in foreign jurisdictions, it is reasonable to believe that the unidentified holders of payment card 2075 issued by PNC Bank, N.A. and payment card 5082 issued by RBS Citizens, N.A. may have failed to report income to Norway.

III. The requested materials are not readily available from other sources.

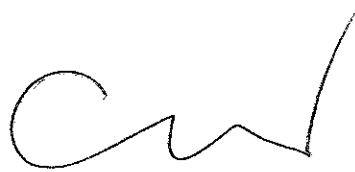
11. Information provided to the U.S. Competent Authority from Norway indicates that for payment cards that are used only at automated-teller machines or in transactions where authorization is by PIN code and the cardholder need not identify himself or herself, the

cardholders cannot be identified from information sources in Norway. Payment card 2075 issued by PNC Bank, N.A. and payment card 5082 issued by RBS Citizens, N.A. are two of the cards whose holders cannot be identified from information sources in Norway.

12. The only repositories of the information sought by the proposed summonses that are available to the IRS are PNC Bank, N.A. and RBS Citizens, N.A., which hold the payment card relationships with the John Does in question and maintain records of those payment card accounts and related financial accounts.

I declare under penalty of perjury that the foregoing is true and correct.

Executed this 11th day of July, 2013.

A handwritten signature in black ink, appearing to read 'CK', is written above a horizontal line.

CHERYL KIGER
Internal Revenue Agent
Internal Revenue Service